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December 22, 2008

J. I. Palmer, Jr.
Regional Administrator
USEPA Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-8960

Dear Mr. Palmer:

We are in receipt of your letter dated November 17, 2008, which addressed the South Carolina State Implementation Plan (SIP) for demonstrating attainment of the 1997 8-hour national ambient air quality standard for ozone in the South Carolina portion of the bi-state Charlotte nonattainment area. This letter stated that the EPA could not approve our SIP because it believes this area is unlikely to attain the 1997 ozone standard by June 15, 2010, or meet the requirements for a one-year extension of the attainment date. The EPA offered the option of requesting a reclassification ("bump-up") from Moderate to Serious to avoid disapproval of the South Carolina SIP for this area.

After reviewing your letter, evaluating the air quality data in York and surrounding SC counties, and after much consultation and discussion with stakeholders in the area and with the NC Department of Environment and Natural Resources, we have determined that it is in the best interest of all parties involved to withdraw the current 8-hour ozone attainment demonstration for this area. We will work to revise the attainment demonstration to address EPA's concerns and re-submit a revised SIP.

This is not a decision that we take lightly. Most importantly, we are concerned about improving air quality. We are pleased to report that the ozone data from the monitor in York County indicates that the area continues to meet the 1997 ozone standard and is very close to meeting the new more restrictive 8-hour ozone standard which was finalized by EPA in March, 2008 (2008 design value is 0.077 ppm). Data over time indicates continued improvement in air quality, so control measures in place are making a difference.

South Carolina submitted its SIP for this area to EPA in a timely manner. Drafts of this SIP were also submitted to EPA throughout the process for review and input, based upon the best information we had at that time. On September 10, 2007, EPA reported that the final SIP package was received and had been posted on their website to begin the adequacy review. On March 27, 2008, EPA deemed the SIP complete. Since the time the SIP was submitted and deemed complete, the Clean Air Interstate Rule (CAIR) has been vacated and the uncertainty surrounding this issue appears to have created concern within EPA about the SIP attainment demonstration that was submitted for this area.

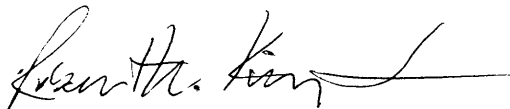
South Carolina sources are still on track to comply with CAIR beginning January 1, 2009, as required by state law. Also, the second largest utility in South Carolina is under a consent decree to obtain controls consistent

with CAIR. South Carolina sources are meeting their obligations under CAIR. Moreover, state and local entities in South Carolina have demonstrated leadership by implementing regulatory and voluntary measures to address air pollution. Because of the partnerships that have been developed and the excellent working relationships that have been established, we will continue to work together to improve air quality. Further, all of the requirements that were included in the original SIP will continue to be implemented.

We are confident that these relationships will allow all the parties involved to continue to work diligently to expeditiously submit an attainment demonstration that addresses EPA's concerns. We will work with North Carolina to improve the attainment demonstration with the intent of submitting an updated SIP to EPA by November 30, 2009. After submittal of the revised attainment demonstration, we will need EPA's cooperation to promptly review the motor vehicle emissions budget that will be submitted as it will be needed by the transportation partners for the transportation conformity demonstration.

We look forward to discussions with your staff on the concerns they have with the initial submittal so that we may adequately address those issues in our revised attainment demonstration. If you have questions, please do not hesitate to contact me at (803) 896-8940 or Myra Reece at (803) 898-4123.

Sincerely,



Robert W. King, Jr. P.E.
Deputy Commissioner
Environmental Quality Control

cc: The Honorable Donald Rodgers, Chief, Catawba Indian Nation
William G. Ross, Jr. NCDENR
B. Keith Overcash, NCDENR
Don Willard, Mecklenburg County
Marcus Peacock, USEPA
Robert Meyers, USEPA
Beverly Banister, USEPA Region 4
Myra C. Reece, SCDHEC